



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2027 Biennium

Bill#/Title: **HB0228: Revised requirements for the reporting of actual costs for legislation with projected fiscal impacts**

Primary Sponsor: Bill Mercer Status: As Introduced

- Included in the Executive Budget       Needs to be included in HB 2       Significant Local Gov Impact
- Significant Long-Term Impacts       Technical Concerns       Dedicated Revenue Form Attached

### FISCAL SUMMARY

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<b>Expenditures</b>				
General Fund (01)	\$0	\$0	\$0	\$0
<b>Revenues</b>				
General Fund (01)	\$0	\$0	\$0	\$0
<b>Net Impact</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>General Fund Balance</b>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

### Description of fiscal impact

HB 228 requires the Office of Budget and Program Planning (OBPP) to prepare and report to the Legislative Finance Committee (LFC) in February and October of each year regarding each bill with a fiscal note greater than \$500,000 in a single fiscal year and has been in effect for at least one fiscal year. The February report must include information on each bill that passed, the actual expenditures incurred during the first two quarters of the preceding fiscal year, description of how the funds were expended, and a comparison of actual costs to the costs of the bill as projected in the fiscal note for that same period of time. The October report must include the same information but for actual expenditures incurred based during the last two quarters of the preceding fiscal year. The general appropriations act and any bill exempted by the legislature are excluded from the report. Implementation of this bill will cause staff at OBPP and state agencies to incur compensatory time an/or overtime.

### FISCAL ANALYSIS

#### Assumptions

#### Governor's Office of Budget and Program Planning (OBPP)

1. Current law, requires OBPP to prepare a report on fiscal notes with estimated expenditures over \$1 million in any year. The report is submitted annually.
2. HB 228 proposes to decrease the estimate expenditure threshold from \$1 million in a year to \$500,000 in a year. The bill also adjusts the timing of the report from once per year to twice per year.
3. OBPP expects to work with state agencies on bills having projected expenditure costs in excess of \$500,000 for any fiscal year contained in a fiscal note.

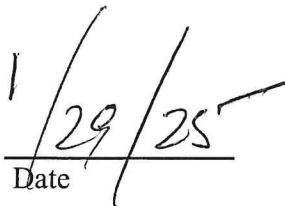
**Fiscal Note Request - As Introduced**

*(continued)*

4. It is estimated that OBPP will have to track the expenditure impact of 25 expenditure bills in FY 2026, 34 bills in FY 2027 and FY 2028, and 38 expenditure bills in FY2029.
5. It is assumed that OBPP staff will be required to spend 1/2 hour of time per bill for each reporting period to work with other agencies to gather information to generate a tracking report to be distributed to LFC.
6. The cost to OBPP to employ a budget analyst to report to LFC twice a year would be \$ 1,105 in FY 2026, \$1,537 in FY 2027, \$1,571 in FY 2028 and \$1,794 in FY 2029. These costs would manifest in hours of compensatory time earned and not have an explicit fiscal impact.
7. Affected state agencies would have similar effects of incurring compensatory time or overtime hours.



Sponsor's Initials



Date



Budget Director's Initials

1/28/2025

Date